

Registered No.
3982441

Punch Taverns (PGE) Limited

Report and Financial Statements

20 August 2016



Punch Taverns (PGE) Limited
Period ended 20 August 2016

DIRECTORS

E Bashforth
S Dando
D Garrood

SECRETARY

F Appleby

AUDITOR

KPMG LLP
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

BANKERS

Barclays Bank plc
One Snowhill
Snow Hill Queensway
Birmingham
B3 2WN

SOLICITORS

Slaughter & May
One Bunhill Row
London
EC1Y 8YY

REGISTERED OFFICE

Jubilee House
Second Avenue
Burton upon Trent
Staffordshire
DE14 2WF

Punch Taverns (PGE) Limited
Period ended 20 August 2016

STRATEGIC REPORT

Registered No. 3982441

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The principal activity of the company is that of an intermediate holding company.

RESULTS AND DIVIDENDS

The profit after taxation for the 52 week period amounted to £235,200,000 (52 week period ended 22 August 2015: loss after taxation of £149,439,000). The directors do not propose the payment of a final dividend (2015: £nil).

REVIEW OF THE BUSINESS

Punch manages its operations at a group level and the directors therefore believe that disclosure of key performance indicators for the company are not appropriate to understand the development, performance or position of the business. The performance of the Punch group is discussed in the Punch Taverns plc Annual Report and Financial Statements which are publicly available. The directors do not consider that there are any specific principal risks and uncertainties applicable to the company which need to be disclosed.

As explained in note 1 to the financial statements, the company is dependent upon support from its parent company to meet its liabilities as they fall due. Enquiries have been made of the directors of the company's ultimate parent company, Punch Taverns plc, regarding the ability of Punch Taverns plc to continue as a going concern. Therefore the directors have, continued to adopt the going concern basis in preparing the financial statements.

On behalf of the board



S Dando
Director
09 Dec 2016

Punch Taverns (PGE) Limited
Period ended 20 August 2016

DIRECTORS' REPORT

Registered No. 3982441

The directors present their report and financial statements for the financial period ended 20 August 2016.

DIRECTORS

The directors of the company who served during the period are listed on the inside front cover.

A third party indemnity provision (as defined in section 234 of the Companies Act 2006) is in force for the benefit of the directors.

POST BALANCE SHEET EVENTS

There are no events affecting the company occurring after the balance sheet date.

AUDIT INFORMATION

The directors confirm that, so far as they are aware, there is no relevant audit information of which the auditor is unaware and that each director has taken all reasonable steps to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

The company has elected to dispense with the obligation to appoint an auditor annually under s487 of the Companies Act 2006.

On behalf of the board



S Dando
Director
09 Dec 2016

Punch Taverns (PGE) Limited
Period ended 20 August 2016

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT, THE STRATEGIC REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Directors' Report, the Strategic Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF PUNCH TAVERNS (PGE) LIMITED**

We have audited the financial statements of Punch Taverns (PGE) Limited for the period ended 20 August 2016 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

Our report has been prepared for the Company solely in connection with our engagement letter. It has been released to the Company on the basis that our report shall not be copied, referred to or disclosed, in whole (save for the Company's own internal purposes) or in part, without our prior written consent.

Our report was designed to meet the agreed requirements of the Company determined by the Company's needs at the time. Our report should not therefore be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than the Company for any purpose or in any context. Any party other than the Company who obtains access to our report or a copy and chooses to rely on our report (or any part of it) will do so at its own risk. To the fullest extent permitted by law, KPMG LLP will accept no responsibility or liability in respect of our report to any other party.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on the previous page, the directors are responsible for the preparation of the non-statutory accounts, which are intended by them to give a true and fair view. Our responsibility is to audit, and express an opinion on, the non-statutory accounts in accordance with the terms of our engagement letter dated 21 December 2015 and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the non-statutory accounts

An audit involves obtaining evidence about the amounts and disclosures in the non-statutory accounts sufficient to give reasonable assurance that the non-statutory accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the entity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the non-statutory accounts.

Opinion on financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 20 August 2016 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Strategic report and the Directors' report:

- we have not identified material misstatements in those reports; and
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Simon Haydn-Jones
Senior Statutory Auditor
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH
11 Dec 2016

Punch Taverns (PGE) Limited

Period ended 20 August 2016

PROFIT & LOSS ACCOUNT

for the 52 week period ended 20 August 2016

52 week period ended 20 August 2016

52 week period ended 22 August 2015

	Notes	Underlying items £000	Non- underlying items (note 3) £000	Total £000	Underlying items £000	Non- underlying items (note 3) £000	Total £000
Administrative loss		(184)	-	(184)	(83)	(1,246)	(1,329)
Loss on impairment of fixed asset investments		-	-	-	-	(266,051)	(266,051)
OPERATING LOSS	2	(184)	-	(184)	(83)	(267,297)	(267,380)
Income from shares in group undertakings		232	-	232	-	-	-
Non-cash distribution in specie from shares in group undertakings		198	-	198	-	-	-
Interest receivable and similar income	5	35,885	285,674	321,559	35,924	318,634	354,558
Interest payable	6	(89,523)	-	(89,523)	(237,433)	-	(237,433)
(LOSS) / PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(53,392)	285,674	232,282	(201,592)	51,337	(150,255)
Tax on (loss) / profit on ordinary activities	7	-	2,918	2,918	(230)	1,046	816
(LOSS) / PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u>(53,392)</u>	<u>288,592</u>	<u>235,200</u>	<u>(201,822)</u>	<u>52,383</u>	<u>(149,439)</u>

The profit and loss account relates to continuing activities.

There is no difference between the reported results and the total recognised results in the current or preceding financial year.

Punch Taverns (PGE) Limited
Period ended 20 August 2016

BALANCE SHEET
as at 20 August 2016

	<i>Notes</i>	20 August 2016 £000	22 August 2015 £000
FIXED ASSETS			
Tangible fixed assets	8	1,905	-
Investments	9	1,105,848	1,105,154
		<u>1,107,753</u>	<u>1,105,154</u>
CURRENT ASSETS			
Debtors: (including £nil (2015: £2,439,334,000) due after more than one year)	10	1,369,996	2,440,176
Cash at bank and in hand	11	49,121	16,169
		<u>1,419,117</u>	<u>2,456,345</u>
CREDITORS: amounts falling due in less than one year	12	(1,582,955)	(677)
NET CURRENT (LIABILITIES) / ASSETS		<u>(163,838)</u>	<u>2,455,668</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>943,915</u>	<u>3,560,822</u>
NON-CURRENT LIABILITIES			
CREDITORS: amounts falling due after more than one year	13	-	(2,852,603)
NET ASSETS		<u><u>943,915</u></u>	<u><u>708,219</u></u>
CAPITAL AND RESERVES			
Called up share capital	14	62,599	62,599
Share premium		3,287,315	3,287,315
Capital reserve		19,068	18,572
Profit and loss account		(2,425,067)	(2,660,267)
SHAREHOLDER'S FUNDS		<u><u>943,915</u></u>	<u><u>708,219</u></u>

The financial statements were approved and authorised for issue by the board and signed on its behalf on
09 December 2016



S Dando
09 December 2016

Punch Taverns (PGE) Limited
Period ended 20 August 2016

STATEMENT OF CHANGES IN EQUITY
for the 52 week period ended 20 August 2016

	Share Capital £000	Share Premium £000	Capital Reserve £000	Profit & Loss Account £000	Total Equity £000
At 23 August 2014	62,599	3,236,119	18,489	(2,510,828)	806,379
Loss for the period	-	-	-	(149,439)	(149,439)
Capital contribution received	-	-	83	-	83
Share issue	-	51,196	-	-	51,196
At 22 August 2015	<u>62,599</u>	<u>3,287,315</u>	<u>18,572</u>	<u>(2,660,267)</u>	<u>708,219</u>
Profit for the period	-	-	-	235,200	235,200
Capital contribution received	-	-	496	-	496
At 20 August 2016	<u><u>62,599</u></u>	<u><u>3,287,315</u></u>	<u><u>19,068</u></u>	<u><u>(2,425,067)</u></u>	<u><u>943,915</u></u>

Punch Taverns (PGE) Limited
Period ended 20 August 2016

NOTES TO THE FINANCIAL STATEMENTS
for the 52 week period ended 20 August 2016

1 ACCOUNTING POLICIES

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101"). The amendments to FRS 101 (2014/15 Cycle) issued in July 2015 and effective immediately have been applied.

In the transition to FRS 101, the company has applied IFRS 1 whilst ensuring that its assets and liabilities are measured in compliance with FRS 101. An explanation of how the transition to FRS 101 has affected the reported financial position and financial performance of the company is provided in note 18.

In preparing these financial statements, the company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

There have been no changes to accounting policies during the year.

The company's ultimate parent undertaking, Punch Taverns plc, includes the company in its consolidated financial statements. The consolidated financial statements of Punch Taverns plc are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Jubilee House, Second Avenue, Burton upon Trent, Staffordshire, DE14 2WF.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

Cash Flow Statements and related notes

Comparative period reconciliations for share capital and tangible fixed assets

Disclosures in respect of transactions with wholly owned subsidiaries

Disclosures in respect of capital management

The effects of new but not yet effective IFRSs

Disclosures in respect of the compensation of key management personnel

As the consolidated financial statements of Punch Taverns plc include the equivalent disclosures, the company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures

The company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements and in preparing an opening FRS 101 balance sheet at 22 August 2015 for the purposes of the transition to FRS 101.

Measurement convention

The financial statements are prepared on the historical cost basis.

Group financial statements

The company is exempt, under s400 of the Companies Act 2006, from the obligation to prepare consolidated financial statements as the company is a wholly owned subsidiary undertaking of a parent company incorporated in the EU, which prepares consolidated financial statements. As such, these financial statements present information about the company as an individual undertaking and not about its group.

Punch Taverns (PGE) Limited
Period ended 20 August 2016

NOTES TO THE FINANCIAL STATEMENTS
for the 52 week period ended 20 August 2016

1 ACCOUNTING POLICIES

Fundamental accounting concept - going concern

The company's current liabilities exceed its current assets. However, the ultimate parent has undertaken to support the company for a period of at least one year following the date of approval of these financial statements and not recall group debt until all other liabilities have been settled and the company has funds to repay. For this reason, the financial statements have been prepared on a going concern basis.

Fixed asset investments

Investments are stated at cost, less provision for impairment in value. The carrying value of investments is reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

Significant accounting estimates and judgements

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Management bases its estimates and judgements on historical experience and on various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgements about the carrying value of assets and liabilities that are not readily available from other sources. Actual results may differ from these estimates under different assumptions and conditions.

The estimates and judgements that have significant effect on the amounts recognised in the financial statements are detailed below:

Impairment of fixed asset investments

The company assesses the risk of impairment to the investment in its subsidiaries. There is a judgement in considering whether an impairment arises because of the difference between the carrying value and the fair value, being value in use.

Depreciation

Depreciation is charged on a straight-line basis on freehold and long leasehold buildings over the estimated useful life of the asset. It is the company's policy to maintain the properties comprising the licensed estate in such a condition that the residual values of the properties, based on prices prevailing at the time of acquisition or subsequent revaluation, are at least equal to their book values. As a result, the depreciation charged on freehold and long leasehold buildings is nil.

It is the opinion of the directors that it is not practical or appropriate to separate from the value of the buildings the value of long life fixtures and fittings, which are an integral part of the buildings. This approach is supported by the opinion of an independent external adviser.

Landlord's fixtures and fittings include removable items, which are generally regarded as within landlord ownership. These are depreciated in accordance with the policy detailed below.

An annual impairment review is carried out on such properties in accordance with FRS 11 and FRS 15.

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment and when events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. A review for indicators of impairment is performed annually. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Any impairment charge is recognised in the profit and loss account in the year in which it occurs. When an impairment loss, other than an impairment loss on goodwill, subsequently reverses due to a change in the original estimate, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, up to the carrying amount that would have resulted, net of depreciation, had no impairment loss been recognised for the asset in prior years.

Punch Taverns (PGE) Limited
Period ended 20 August 2016

NOTES TO THE FINANCIAL STATEMENTS
for the 52 week period ended 20 August 2016

1 ACCOUNTING POLICIES

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted at the balance sheet date. Deferred tax is provided on temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Dividend income

Dividend income is recognised when a dividend has been received from another group company.

Non-underlying items

In order to provide a trend measure of underlying performance, profit is presented excluding items that management believe will distort comparability, either due to their significant nature, or as a result of specific accounting treatments. Further detail on the nature of non-underlying items is included in note 3 .

Punch Taverns (PGE) Limited
Period ended 20 August 2016

NOTES TO THE FINANCIAL STATEMENTS

for the 52 week period ended 20 August 2016

2 OPERATING LOSS

Auditor remuneration is paid by another company in the Punch Taverns plc group in the current and preceding periods. The amount of auditor remuneration relating to the company is £1,000 (2015: £1,000).

3 NON-UNDERLYING ITEMS

	52 week period ended 20 August 2016 £000	52 week period ended 22 August 2015 £000
Included within administrative expenses:		
Capital restructuring	-	1,246
	-	1,246
Loss on impairment of investments	-	266,051
Included within interest receivable and similar income:		
Profit on extinguishment of intercompany loans (note 5)	1 -	(318,634)
Profit on release of intercompany balances (note 5)	2 (285,674)	-
	(285,674)	(318,634)
	-	-
Tax relief on non-underlying items		(230)
Tax adjustments in respect of prior periods	(2,918)	(816)
	(288,592)	(52,383)

¹ In the prior period, the company was released from its obligations under the receivables originally due to Punch Taverns (SPML) Limited, Punch Taverns (Centrum) Limited and Punch Taverns (PMH) Limited and subsequently assigned to Punch Partnerships (PML) Limited during the period of £223,527,000 in consideration of the part repayment of the subordinated loan due from Punch Partnerships (PML) Limited to the company of £16,100,000 being the deemed market value of the receivables.

² During the period the company was released from its obligations owing to Avebury Properties Limited of £299,522,000 and Stanford Property Limited of £26,745,000. This is partially offset by the company releasing Avebury Properties Limited, Avebury Holdings Limited and Avebury Holdings Group Limited from £12,518,000, £24,409,000 and £3,666,000 respectively of their obligations owing to the company.

4 DIRECTORS' EMOLUMENTS AND STAFF COSTS

The directors performed no qualifying services for the company in respect of the current or preceding periods and therefore received no emoluments.

The company had no employees during the current or preceding periods.

Punch Taverns (PGE) Limited
Period ended 20 August 2016

NOTES TO THE FINANCIAL STATEMENTS
for the 52 week period ended 20 August 2016

5 INTEREST RECEIVABLE AND SIMILAR INCOME

	52 week period ended 20 August 2016 £000	52 week period ended 22 August 2015 £000
Bank interest receivable	566	81
Interest receivable from group undertakings	35,319	35,750
Other interest receivable	-	93
Profit on extinguishment on intercompany loans	-	318,634
Profit on release of intercompany balances	285,674	-
	<u>321,559</u>	<u>354,558</u>

6 INTEREST PAYABLE

	52 week period ended 20 August 2016 £000	52 week period ended 22 August 2015 £000
Interest payable to group undertakings	89,523	237,433
	<u>89,523</u>	<u>237,433</u>

Punch Taverns (PGE) Limited
Period ended 20 August 2016

NOTES TO THE FINANCIAL STATEMENTS
for the 52 week period ended 20 August 2016

7 TAXATION

Tax recognised in the profit and loss account

	52 week period ended 20 August 2016 £000	52 week period ended 22 August 2015 £000
UK corporation tax:		
- adjustments in respect of prior periods	(2,918)	(816)
	<u>(2,918)</u>	<u>(816)</u>
Total tax credit for the period	<u>(2,918)</u>	<u>(816)</u>

There is no provided or unprovided deferred tax.

Reconciliation of tax credit

	52 week period ended 20 August 2016 £000	52 week period ended 22 August 2015 £000
Profit / (loss) on ordinary activities before taxation	<u>232,282</u>	<u>(150,255)</u>
Current tax at 20.00% (2015: 20.81%)	46,456	(30,969)
Effects of:		
(Income not chargeable for tax purposes) / expenses not deductible for tax purposes	(46,456)	30,969
Adjustments in respect of prior periods	(2,918)	(816)
Total tax credit	<u>(2,918)</u>	<u>(816)</u>

Factors that may affect future tax charges

Reductions in the UK corporation tax rate from 21% to 20% (effective 1 April 2015) was enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015.

An additional reduction to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly.

Punch Taverns (PGE) Limited
Period ended 20 August 2016

NOTES TO THE FINANCIAL STATEMENTS
for the 52 week period ended 20 August 2016

8 TANGIBLE FIXED ASSETS

	Land & buildings £000
Cost:	
As at 20 August 2016	-
Additions	1,905
As at 20 August 2016	<u>1,905</u>
Depreciation:	
As at 20 August 2016	<u>-</u>
Cost and net book value:	
As at 20 August 2016	<u>1,905</u>
As at 20 August 2016	<u>-</u>

The split of the net book value of land and buildings is as follows:

	Freehold £000
As at 20 August 2016	<u>1,905</u>
As at 20 August 2016	<u>-</u>

Punch Taverns (PGE) Limited

Period ended 20 August 2016

NOTES TO THE FINANCIAL STATEMENTS

for the 52 week period ended 20 August 2016

9 FIXED ASSET INVESTMENTS

	Shares in subsidiary undertakings £000
Cost:	
As at 22 August 2015	3,070,761
Disposals	-
As at 20 August 2016	<u>3,071,455</u>
Impairment:	
As at 20 August 2016 and 22 August 2015	<u>1,965,607</u>
Net book value:	
As at 20 August 2016	<u>1,105,848</u>
As at 22 August 2015	<u>1,105,154</u>

During the period the company made a capital contribution of £496,000 (2015 : £83,000) to its immediate subsidiary undertaking, Punch Taverns (PGRH) Limited.

Also during the period, the company acquired the ordinary share capital of Avebury Group Limited, Punch Taverns (APL 35) Limited and Punch Taverns (APL 278) Limited.

Details of the principal wholly owned subsidiary undertakings, in which the shareholdings are in ordinary shares, are as follows:

Subsidiary undertaking	Principal activity
Held directly:	
Punch Taverns (Offices) Limited	Property leasing company
Punch Partnerships (PGRP) Limited	Pub operating company
Punch Taverns (Services) Limited	Intermediate supply company
Avebury Holdings Limited	Dormant
Punch Partnership Limited	Dormant
Punch Taverns (PGRA) Limited	Dormant
Punch Taverns (Shawshank) Limited	Dormant
Punch Taverns QUEST Trustee Limited	Dormant
Punch Group Limited	Dormant
Punch Taverns Loanco (A) Limited	Non-trading
Punch Taverns Loanco (B) Limited	Non-trading
Punch Taverns (PGRH) Limited	Non-trading
Punch Taverns (Finco) Limited	Intermediate holding company
Punch Taverns Reserve Company Limited	Non-trading
InnSpired (Cedar) Limited	Non-trading
Punch Taverns Reserve II Company Limited	Dormant
Punch Taverns (ITG) Limited	Dormant
Punch Centrum Intermediate Holding Company Limited	Dormant
Punch Taverns (Redwood Guaranteeco) Limited	Dormant
Punch Taverns (PMG) Limited	Dormant
Punch Jubilee Intermediate Holding Company Limited	Dormant
Punch Taverns Barton Intermediate Holding Company Limited	Dormant
Punch Taverns (Woodville) Limited	Non-trading

Held directly:

Punch Taverns (Redwood Midco) Limited
Punch Taverns (APL 35) Limited
Punch Taverns (APL 278) Limited
Avebury Group Limited
Punch Partnerships (PML) Limited
Punch Partnerships (PTL) Limited
Punch Taverns (Jubilee) Limited
Punch Taverns Finance plc
Punch Taverns Finance B Limited
Punch Taverns Holdco (A) Limited
Punch Taverns Holdco (B) Limited
Broomco (3708) Limited
InnSpired (ITB) Limited
InnSpired Company Limited
InnSpired Group Limited
InnSpired Holdings Limited
Mill House Inns (Trading) Limited
Pioneer Pub Company Limited

Held indirectly:

Punch Taverns Holdings Limited
Punch Taverns (CMG) Limited
Punch Taverns (ES) Limited
Punch Taverns Interco (A) Limited
Punch Taverns Intermediate Holdco (A) Limited
Punch Taverns Investments Limited
Rhesus Limited
Silverhoney Limited
Tudor Street Acquisitions Limited
Avebury Properties Limited
Punch Taverns (Redwood Jerseyco) Limited
Punch Taverns (PRAF) Limited
Brewed and Baked Limited
InnSpired Pubs Limited
InnSpired Taverns Limited
Pub.Com Limited
Punch Centrum Loan Company Limited
Punch Taverns (CPM) Limited
Punch Taverns (PGRF) Limited
Punch Taverns (PMI) Limited
Punch Taverns (PMM) Limited
Punch Taverns (PMT) Limited
Punch Taverns (PRAC) Limited
Punch Taverns (Red) Limited
Punch Taverns Group Limited
Punch Taverns Intermediate Holdings Limited
Ushers of Trowbridge Limited
Mercury Pubs Limited
ADR Financial Services (Birmingham) Limited
ADR Financial Services (Finchley) Limited
Agnew Stores (Holdings) Limited
Agnews Liquorworld Limited
Alloa Brewery Company Limited
Alloa Pubs & Restaurants Limited
Andrew Dick & Sons, Limited
Ansells Ind Coope (South Wales) Limited
Ansells Leisure Limited
Ansells Limited
Ansells Properties Limited
Archibald Arrol & Sons Limited
Ardeer Tavern

Principal activity

Dormant
Non-trading company
Non-trading company
Dormant
Pub operating company
Pub operating company
Pub operating company
Financing company
Financing company
Intermediate holding company
Intermediate holding company

Non-trading

Non-trading

Non-trading

Non-trading

Non-trading

Non-trading

Dormant

Principal activity

Non-trading

Dormant

Non-trading

Dormant

Non-trading

Dormant

Non-trading

Non-trading

Non-trading

Dormant

Non-trading

Non-trading

Dormant

Non-trading

Dormant

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<i>Held indirectly:</i>	Principal activity
Avebury Holdings Group Limited	Dormant
Avebury Inns Limited	Dormant
Avebury Pub Company Limited	Dormant
B.W.B. Limited	Dormant
Bartlett & Hobbs Limited	Dormant
BK Investments Limited	Dormant
Brierley Court Hop Farms Limited	Dormant
Bruce's Brewery (World's End) Limited	Dormant
Bunker Beverage Company Limited	Dormant
Cameron Park Limited	Dormant
Caskies of Alloa Limited	Dormant
Cavalier Restaurants Limited	Dormant
<i>Held indirectly:</i>	Principal activity
CB (1994) Limited	Dormant
Chas Rose & Co. Limited	Dormant
Coinmine Limited	Dormant
Conquest Inns (Property) Limited	Dormant
Conquest Inns (Trading) Limited	Dormant
Conquest Inns Limited	Dormant
Falcon Pubs & Restaurants Limited	Dormant
Cougar Beer Company Limited	Dormant
Dalgarno (Wine Cellars) Limited	Dormant
Duke's of Argyle Street Limited	Dormant
Duke's of Exchange Place Limited	Dormant
Enrichtech Limited	Dormant
Friary Meux Limited	Dormant
Golden Pheasant Restaurant Limited	Dormant
Golisha Limited	Dormant
Graham's Golden Lager Limited	Dormant
Guildford Holdings Limited	Dormant
Halls Brewery Company Limited	Dormant
Harpplan Limited	Dormant
Hooden Horse Inns Limited	Dormant
I.C.E.A. Limited	Dormant
Ind Coope (E.M.) Limited	Dormant
Ind Coope (London) Limited	Dormant
Ind Coope (West Midlands) Limited	Dormant
Ind Coope-Friary Meux Limited	Dormant
Inn Business (Marr) Limited	Dormant
Inn Business (Sycamore) Limited	Dormant
Inn Business Limited	Dormant
Inn Business Property Limited	Dormant
Inn Partnership Limited	Dormant
InnSpired (ESOP) Limited	Dormant
InnSpired Developments Limited	Dormant
InnSpired Taverns II Limited	Dormant
Ivell Inns Limited	Dormant
J. & M. Polson, Limited	Dormant
J. T. & S. (Allied) Limited	Dormant
Jodsal Limited	Dormant
L&P 34 Limited	Dormant
La Societe Brasserie Bleu Limited	Dormant
M. Milne Limited	Dormant
Ma Pardoe's Steak and Ale Houses Limited	Dormant
Marr Holdings Limited	Dormant
Marr Taverns Limited	Dormant
Marr Trustees Limited	Dormant
Mercury Taverns (Holdings) Limited	Dormant
Mercury Taverns Limited	Dormant
Mill House Inns (Leaseholds) Limited	Dormant

Held indirectly:

	Principal activity
Mill House Inns (Retford) Limited	Dormant
Mill House Inns Limited	Dormant
Millhouse Pubs Limited	Dormant
Newmarsh Limited	Dormant
Old Tradition Inns Limited	Dormant
Pioneer Inns and Taverns Limited	Dormant
Punch Inns Limited	Dormant
Poacher Inns Limited	Dormant
Mighty Local Limited	Dormant
Punch (JT) Limited	Dormant
Punch Beer Brands Limited	Dormant
Punch Funding II Limited	Dormant
Punch Inns (UK) Limited	Dormant
Punch Signature Pubs Limited	Dormant
Punch Management Services Limited	Dormant
Punch National Brands Limited	Dormant
Punch Taverns (AH) Limited	Dormant
Punch Taverns (Ash) Limited	Dormant
Punch Taverns (Avebury) Limited	Non-trading
Punch Taverns (Branston) Limited	Dormant
Punch Taverns (BS) Company Limited	Dormant
Punch Taverns (Centrum) Limited	Dormant
Punch Taverns (CMS) Limited	Dormant
Punch Taverns (DC) Holdings Limited	Dormant
Punch Taverns (DPM) Limited	Dormant
Punch Taverns (FH) Limited	Dormant
Punch Taverns (Fradley) Limited	Dormant
Punch Taverns (IB) Limited	Dormant
Punch Taverns (JPC) Limited	Dormant
Punch Taverns (MH) Limited	Dormant
Punch Taverns (OS) Limited	Dormant
Punch Taverns (PM) Limited	Dormant
Punch Taverns (PMH) Limited	Dormant
Punch Taverns (PMMH) Limited	Dormant
Punch Taverns (PMST) Limited	Dormant
Punch Taverns (PPCF) Limited	Dormant
Punch Taverns (PR) Limited	Dormant
Punch Pubs Limited	Dormant
Punch Taverns (RH) Limited	Dormant
Punch Taverns (SPM) Limited	Dormant
Punch Taverns (SPML) Limited	Dormant
Punch Taverns (Trent) Limited	Dormant
Punch Taverns (Vintage) Limited	Dormant
Punch Taverns (VPR) Limited	Dormant
Punch Taverns (Willow) Limited	Dormant
Punch Taverns Barton Loan Company Limited	Dormant
Punch Taverns Development Company Limited	Dormant
Punch Taverns Intermediate Holdco (B) Limited	Dormant
Punch Taverns Investments (A) Limited	Dormant
Punch Taverns Investments (B) Limited	Dormant
Punch Taverns Properties Limited	Dormant
Revival Inns Ltd.	Dormant
Rogano. Limited	Dormant
Scorpio Inns Limited	Dormant
Silverhoney Holdings Limited	Dormant
Skol Lager Limited	Dormant
Stanford Property Limited	Dormant
Stanford Pubs Limited	Dormant

Held indirectly:

	Principal activity
Stanford Taverns Limited	Dormant
Strettons Brewery Company Limited	Dormant
Sycamore Taverns (Management) Limited	Dormant
Sycamore Taverns Limited	Dormant
Sycamore Taverns Trust Company Limited	Dormant
Tetley Limited	Dormant
Tetley Walker Limited	Dormant
Tetley Walker Production Limited	Dormant
The Aylesbury Brewery Company Limited	Dormant
The Dublin Pub Company Limited	Dormant
The Inn Partnership Pension Scheme Limited	Dormant
The Local Pub Company Limited	Dormant
The Pear Tree Inn Limited	Dormant
The Pitfield Brewery Company Limited	Dormant
The Tetley Pub Company Limited	Dormant
The Wiltshire Brewery Investments Limited	Dormant
The Wiltshire Brewery Property Company Limited	Dormant
The Wine Market Limited	Dormant
Thorne Brothers, Limited	Dormant
Tolchard & Son Limited	Dormant
Top Dog Pub Company Limited	Dormant
Tramhill Limited	Dormant
Trent Taverns Limited	Dormant
Tudor Street Holdings Limited	Dormant
United Breweries Limited	Dormant
Verdon Developments Limited	Dormant
Victoria Wine (Concessions) Limited	Dormant
Walker Cain Limited	Dormant
White Rose Inns Limited	Dormant

The above companies are incorporated in England and Wales with the exception of Avebury Holdings Limited, Avebury Properties Limited, Avebury Holdings Group Limited and Standford Property Limited which are incorporated in Guernsey. Punch Taverns Finance B Limited and Punch Funding II Limited which are incorporated in Cayman Islands and Punch Taverns (Redwood Jerseyco) Limited which is incorporated in Jersey.

Punch Taverns (PGE) Limited
Period ended 20 August 2016

NOTES TO THE FINANCIAL STATEMENTS

for the 52 week period ended 20 August 2016

10 DEBTORS

	2016	2015
	£000	£000
Amounts falling due in less than one year:		
Amounts due from group undertakings	470,532	-
Loans due from group undertakings	895,702	-
Social security and other taxes	-	35
Prepayments and accrued income	37	-
Corporation tax	3,725	807
	<u>1,369,996</u>	<u>842</u>

During the year ended 20 August 2016 the company agreed with its counterparties that amounts and loans due from group undertakings would be repayable on demand. This means these amounts are treated as current and are held at amortised cost.

	2016	2015
	£000	£000
Amounts falling due after more than one year:		
Loans due from group undertakings	-	860,383
Amounts due from group undertakings	-	1,578,951
	<u>-</u>	<u>2,439,334</u>

Included within loans due from group undertakings is a non-interest bearing loan with parent company, Punch Taverns plc, of £545,776,000 (2015: £545,776,000).

Also included within loans due from group undertakings is a subordinated loan of £339,951,000 (2015: £304,632,000) to Innspired (Cedar) Limited. The loan accrues interest at 11% per annum, which is capitalised quarterly in arrears.

Also included within loans due from group undertakings are non-interest bearing loans to fellow group companies, Punch Partnerships (PGRP) Limited, Punch Taverns (Barton) Limited, Pub.com Limited and Punch Taverns Investments (B) Limited of £1,071,000, £8,590,000, £292,000 and £22,000 respectively (2014: £1,071,000, £8,590,000, £292,000 and £1,862,000).

Punch Taverns (PGE) Limited
Period ended 20 August 2016

NOTES TO THE FINANCIAL STATEMENTS
for the 52 week period ended 20 August 2016

11 CASH AND CASH EQUIVALENTS

	2016 £000	2015 £000
Cash at bank and in hand	49,121	16,169
	<u>49,121</u>	<u>16,169</u>

12 CREDITORS: amounts falling due in less than one year

	2016 £000	2015 £000
Loans owed to group undertakings	935,799	-
Trade creditors	-	37
Amounts owed to group undertakings	647,063	118
Accruals and deferred income	93	522
	<u>1,582,955</u>	<u>677</u>

During the year ended 20 August 2016 the company agreed with its counterparties that loans and amounts owed to group undertakings would be repayable on demand. This means these amounts are treated as current and are held at amortised cost.

13 CREDITORS: amounts falling due after more than one year

	2016 £000	2015 £000
Loans owed to group undertakings	-	2,215,218
Accruals and deferred income	-	3
Amounts owed to group undertakings	-	637,382
	<u>-</u>	<u>2,852,603</u>

At the start of the period the company consolidated its intragroup balances with its immediate parent company Punch Taverns plc into a £600,106,000 loan payable to Punch Taverns plc which accrues interest at a fixed rate of 15% and is capitalised annually in arrears. The balance as at 20 August 2016 is £689,628,000.

In the prior period, included within loans owed to group undertakings, is a loan to fellow group company Avebury Properties Limited of £265,497,000 which previously accrued interest at 16% per annum, and a non-interest bearing loan of £14,420,000.

Also included within loans owed to group undertakings is a non-interest bearing loan to fellow group company Punch Taverns (Finco) Limited of £172,871,000 (2015: £172,871,000).

Also included within loans owed to group undertakings are non-interest bearing loans from fellow group companies Punch Centrum Loan Company Limited, Punch Taverns (PMT) Limited, Punch Taverns (PMM) Limited, Punch Taverns (PMI) Limited and InnSpired (ITB) Limited of £27,000, £8,568,000, £568,000, £2,000, and £64,135,000 (2014: £27,000, £8,568,000, £568,000, £2,000, and £64,135,000).

During the year, the non-interest bearing non-interest bearing loan from Punch Taverns (Jubilee) Limited of £6,204,000 was extinguished.

Punch Taverns (PGE) Limited

Period ended 20 August 2016

NOTES TO THE FINANCIAL STATEMENTS

for the 52 week period ended 20 August 2016

14 SHARE CAPITAL

	2016	2016	2015	2015
	No.	£000	No.	£000
<i>Allotted, called up and fully paid:</i>				
Ordinary shares of 5p each	1,251,983,348	62,599	1,251,983,348	62,599

During the prior period the company reclassified all the deferred shares of 5p each and the one special dividend share of 5p into ordinary shares of 5p each.

The company issued three ordinary shares of 5p each during the prior period.

Punch Taverns (PGE) Limited
Period ended 20 August 2016

NOTES TO THE FINANCIAL STATEMENTS

for the 52 week period ended 20 August 2016

15 ULTIMATE PARENT UNDERTAKING

The company's immediate parent undertaking is Punch Taverns plc a company registered in England & Wales.

The company's ultimate parent undertaking and controlling party is Punch Taverns plc, a company registered in England & Wales.

The largest group in which the results of the company are consolidated is that headed by Punch Taverns plc, a company registered in England & Wales.

Copies of the financial statements of Punch Taverns plc are available from Jubilee House, Second Avenue, Burton upon Trent, Staffordshire, DE14 2WF.

Punch Taverns (PGE) Limited
Period ended 20 August 2016

NOTES TO THE FINANCIAL STATEMENTS

for the 52 week period ended 20 August 2016

16 EXPLANATION OF TRANSITION TO FRS 101

As stated in note 1, these are the company's first financial statements prepared in accordance with FRS 101.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 20 August 2016, the comparative information presented in these financial statements for the year ended 22 August 2015 and in the preparation of an opening FRS 101 balance sheet at 24 August 2014 (the date of transition).

There has been no impact as a result of the transition from UK GAAP to FRS 101 to the company's financial position, financial performance and cash flows.